



National Republican Congressional Committee

RECEIVED
FEC MAIL ROOM

2000 JUL 26 A 11:48

Donald F. McGahn II
General Counsel

MUR 5053

July 24, 2000

Lawrence M. Noble, Esq.
General Counsel
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Re: Complaint Against Cal Dooley and Dooley for Congress

Dear Mr. Noble:

This supplements our complaint filed on July 20. Recent statements in the press by Cal Dooley, Dooley for Congress press releases and other documents confirm that Cal Dooley has committed a knowing and willful violation of the Federal Election Campaign Act. Dooley has called these violations a "joke." Specifically:

- After being evasive and misinformative, Dooley himself has confirmed that the contribution at issue is corporate money.
- Dooley has known since at least early May that the funds were corporate.
- News reports indicate that Dooley and/or his campaign treasurer has attempted ex parte communication with an FEC Commissioner about this matter, a violation of the law in and of itself.

320 First Street, S.E.
Washington, D.C. 20003
(202)479-7069
www.nrcc.org

1. Dooley has confirmed that the funds are corporate.

Attached hereto is a July 19, 2000 press release by Dooley for Congress that quotes Cal Dooley: "This is a joke. [Rodriguez]'s just upset that agriculture, including the partners of the **Hilmar Cheese Company**, support me."

It looks like the joke is on Cal Dooley, as Dooley acknowledges that the contribution did in fact come from the Hilmar Cheese Company -- "company" of course denotes a corporation. This is confirmed by the attached documentation from the California Secretary of State's Office, showing that Hilmar Cheese Company is a corporation. Thus, original speculation that this was merely an excessive partnership contribution, or a reporting violation, told only part of the story.

Of course, Cal Dooley has stepped on his own punch line, and has taken quite a while to get his story straight. His first response was a knee-jerk denial on the evening news, coupled with an attack on the veracity of Mr. Rodriguez, his challenger. His July 19 press release mimicked this, referencing "Rich Rodriguez's false accusations" and his "dirty politics," calling the whole thing a "joke." Then Dooley changed his story, claiming it was an "oversight." *Fresno Bee* (7/19/00). But while he was telling the press that it was an "oversight," he was telling the Commission in a letter also dated July 19 (also attached) that the problem to due to a "software error."

Dooley continues to change his story even today. In today's *Fresno Bee*, Dooley is now attempting to blame the Commission for his unlawful conduct, "[c]iting conflicting signals from the Federal Election Commission." *Fresno Bee* (7/21/00) (attached hereto). This is ridiculous; the corporate prohibition has been in place in this country in one form or other for almost 100 years. Today, it is found at 2 U.S.C. § 441b, and is found in the FEC's free compilation of federal election campaign laws. There is nothing ambiguous about this prohibition, and the FEC publication has a bright orange cover for all the world to see.

2. Dooley has known since at least early May that the funds were corporate.

Despite Dooley's feigned ignorance and obfuscation, he and his campaign have known since at least early May that these funds were from a corporate entity. They were notified in a letter dated May 8, 2000 to Dooley for Congress, attached hereto. In that letter, the "partners" of HCC Properties, Ltd. request that the funds be reattributed among themselves equally.

However, this letter is on Hilmar Cheese Company letterhead, with Hilmar Cheese Company's address at the bottom. Thus, the true source of the funds is clear on the face of the letter. Yet, Dooley accepted the corporate funds, a knowing and willful violation of the law.

3. Dooley and/or his campaign treasurer may have had ex parte communication with an FEC Commissioner about this matter.

Commission regulations prohibit ex parte communication with Commissioners about pending matters. 11 C.F.R. § 7.15. This rule is based upon the sound policy of avoiding even "the possibility of prejudice, both real and apparent, to the public interest in enforcement actions pending before the Commission." *Id.* Yet news reports state the following:

Thursday, Dooley said his campaign treasurer had been advised first by the FEC that the attribution of the money was being handled properly. A subsequent discussion with an FEC commissioner, though, raised doubts.

"We were trying to do things correctly, and I have a lot of confidence in our treasurer," Dooley said. "We clearly thought we were doing it right . . . but, quite to our surprise, [the commissioner] said there is an issue here."

Fresno Bee (7/21/00) (emphasis added). Setting aside the implausibility that the FEC would ever sanction the acceptance of corporate money, it is clear that the Dooley campaign has at least attempted and has so stated that they attempted ex parte communication with a commissioner. Clearly, Dooley must think all campaign finance laws are a "joke," given that he thinks nothing of attempting to improperly sway the Commission.

II. CONCLUSION

Cal Dooley has violated the law by accepting corporate money. This is no joke, although Dooley appears to be laughing all the way to the bank. The foregoing information affirms what was alleged in the original complaint, and demonstrates that the violation was knowing and willful.

The foregoing is correct and accurate to the best of my knowledge, information and belief.

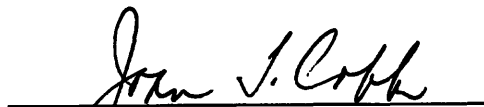
Respectfully submitted,



Donald F. McGahn II

District of Columbia

Signed and sworn to before me this
24th day of July, 2000.



Notary Public

My Commission expires: ~~My Commission Expires~~ April 30, 2004

21-04-405-0135

Local News

B

SECTION
OBITUARIES • 5
OPINION • 6
WEATHER • 8

THE FRESNO BEE • FRIDAY, JULY 21, 2000

ELECTION 2000

Dooley to return disputed \$10,000 donation

BY MICHAEL DOYLE
THE FRESNO BEE

WASHINGTON — Democratic Rep. Cal Dooley said Thursday that he's returning a \$10,000 contribution that has become a sticking point in his re-election bid.

Citing conflicting signals from the Federal Election Commission, Dooley said in a Capitol Hill interview he thought it was the best course to return the money attributed in his most recent campaign filing to a Hilmar-based dairy partnership.

"We've made a decision, because of these ambiguities, that we're returning the contribution," Dooley said. "We still think there's a question mark about this, but we're interested in getting on and dealing with the issues."



Cal Dooley

Dooley announced his decision on the same day the National Republican Congressional Committee, acting on behalf of GOP challenger Rich Rodriguez, filed a formal complaint about the contribution with the FEC.

"It's nice to see Cal finally admitted he's wrong about this," Rodriguez's spokesman, Joe Galli, said when advised of the development. Galli said Rodriguez is "still awaiting an apology" from Dooley for disputing Rodriguez's original charge that the contribution was improper.

The fate of the complaint itself, now that the money has been returned, may be unclear for some time. The understaffed

FEC has received 58 election complaints this year, adding to a backlog of 201 from the start of the year. Dooley predicted the complaint will be dismissed as trivial. FEC spokeswoman Kelly Huff declined to speak about how specific complaints are handled by the commissioners, who are equally divided between Democrats and Republicans.

"They take everything on a case-by-case basis," Huff said. "For instance, did [candidates] amend the report quickly? It [also] depends on the type of violation and the amount of money involved."

The \$10,000 contribution in question was dated May 19 and was attributed to HCC Properties. This general partnership runs the Hilmar Cheese Co., a Merced County business whose officers have been financial supporters of Dooley.

Federal election laws limit contributions from partnerships to \$1,000. In a May 8 letter to Dooley's campaign, Hilmar Cheese Co. officials had asked that the \$10,000 contribution be divided equally among 22 partners. This would bring each individual contribution under the legal limit. However, FEC rules still say the total partnership limit remains \$1,000.

Thursday, Dooley said his campaign treasurer had been advised first by the FEC that the attribution of the money was being handled properly. A subsequent discussion with an FEC commissioner, though, raised doubts.

"We were trying to do things correctly, and I have a lot of confidence in our treasurer," Dooley said. "We clearly thought

Please see D00LEY, Page B2

21.04.405.0137

**“We’ve made a
decision, because of
these ambiguities, that
we’re returning the
contribution.”**

— Cal Dooley

Dooley: Donation for re-election bid will be returned

Continued from Page B1
we were doing it right ... but,
quite to our surprise, [the commis-
sioner] said there is an issue
here.” *

Dooley's decision came the
same day Rodriguez's campaign
statement became publicly avail-
able at the FEC. Rodriguez's lat-
est filing shows that about 28% of
the \$3.1 million received so far
this year has come from political
action committees; about 69% of
Dooley's money comes from
PACs.

The PACs backing Rodriguez
include some from outside the
San Joaquin Valley, such as the
National Rifle Association group
that has contributed \$9,900.
They also include some directly
representing Valley interests, in-
cluding the Fresno-based Califor-
nia Grape and Tree Fruit League,
the Fresno-based Raisin Bargain-
ing Association and cotton giant
J.G. Boswell Co. These same
PACs have likewise contributed
to Dooley.

DOOLEY FOR CONGRESS

P.O. Box 1367
Visalia, CA 93279

For Immediate Release
July 19, 2000

Contact: Lisa Quigley,
202/966-4937

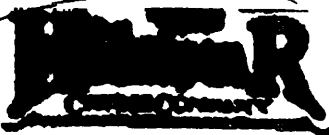
What follows is a statement from Congressman Cal Dooley concerning Rich Rodriguez's false accusations:

* "This is a joke. He's just upset that agriculture, including the partners of the Hilmar Cheese Company, support me. I've got three times the money he has; vast support in the community from prominent Republicans and Democrats, including Sheriff Richard Pierce of Fresno County, Sheriff Bill Wittman of Tulare County, and seven mayors from Fresno County cities alone."

* Dooley for Congress also provided information confirming the legality of the Hilmar Cheese Company contribution.

Dooley added, "It's unfortunate that Rich is already engaging in dirty politics, in a desperate attempt to disguise his weak fundraising performance and lack of local support."

21-04-405-0138



May 8, 2000

Dooley for Congress
7176 N. Prospect
Fresno, CA 93711

Gentlemen:

With regard to our recent contribution dated May 3, 2000 to Dooley for Congress, please be advised that HCC Properties, Ltd. consists of several general partners. These partners are: Charles Ahlem, William Ahlem, James Ahlem, Ralph Ahlem, Richard Clauss, Paul Dias, Phil Fanelli, Delton Nyman, Lloyd Nyman, Verna Van Till, Vern Wickstrom, Donnie Sherman, Karen Clauss Tate, Charlotte L. Van Till, Aletha A. Van Till, Mary J. Van Till, Martha J. Lazette, Chris Taylor, Jennifer Avila, C.A. Russell, Kimberly Clauss, and Kirsten Clauss Russell. Please divide the contribution between each partner equally.

Please contact me if additional information is needed.

Sincerely,


LISA SAHLMAN
Executive Assistant

\$ 454.54

22 partners | \$10,000

\$ 454.54 is well under the \$1,000 limit



Wednesday, 19 July, 2000

Federal Election Commission
999 E Street, NW
Washington, DC 20463

To whom it may concern:

Upon careful examination of our July 15 2000 Quarterly Report forwarded to you on 14 July 2000 we determined that the memo entries for the 19 May 2000 HCC Properties contribution did not print (See attached memo) We also determined that the line following the earmarked receipts did not identify the organization that forwarded the contribution to Dooley for Congress.

I want to stress that all contributions were fully reported but due to a software error the memo entries did not appear. The software problem has since been corrected. If you have any questions or need any further information please contact me or my partner, Sharon Hodgdon at 703-518-8610.

Most sincerely,

A handwritten signature in black ink, appearing to read "James W. Wise".

James W. Wise

Attachment

FROM THE VALLEY

**Corporations**

BUSINESS PROGRAMS

[Contact Us](#)[Home](#)**Bill Jones**

Disclaimer: The information displayed here is current as of "Jul 15, 2000" and is updated weekly. It is not a complete or certified record of the Corporation.

Corporation		
HILMAR CHEESE COMPANY, INC.		
Number: C1245565	Date Filed: 4/30/1984	Status: active
Jurisdiction: California		
Mailing Address		
PO BOX 910		
HILMAR, CA 95324		
Agent for Service of Process		
JOHN JETER		
9001 N LANDER AVE		
HILMAR, CA 95324		

- For information about certification of corporate records or for additional corporate information, please refer to [Corporate Records](#).
- Blank fields indicate the information is not contained in the computer file.
- If the status of the corporation is "Surrender", the agent for service of process is automatically revoked. Please refer to [California Corporations Code Section 2114](#) for information relating to service upon corporations that have surrendered.

[New California Business Search](#)[Need information about the display?](#)[How can I find more information about a corporation?](#)

If you have questions or comments regarding the content on this page, please feel free to use our [online form](#).

Please report any technical problems to the [Web Developer](#) webdeveloper@ss.ca.gov.

©1999 CA Secretary of State
Business Filings Section - Corporations Unit